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Kenneth O. Elvik, Editor
IOWA STATE UNIVERSITY

BOOK REVIEWS

V. A. Mazdorov, *History of Accounting Evolution in USSR (1917-1972)*, (Istoriya razvitiya bukhgalterskogo ycheta v CCCP), Moscow: Finance Publishers, 1972, 320 pp. (published in Russian).

**Reviewed by Yoshiro Kimizuka, Denkitsushin University
and Akira Mori, Meiji University**

Studies in accounting history attract the concerns of researchers in the USSR. We have found nearly a dozen examples in the literature published from 1958 to 1977, but this book is the first one entitled accounting history. It outlines the process of accounting evolution, a bypath of economic history, and can be divided into 5 parts.

(1) Russian accounting (ch. 1, before 1917). Russia was an undeveloped capitalist state before the Revolution. Double entry book-keeping spread itself gradually in the 18th century for purposes of bank credit, taxation, and prevention of fraudulent bankruptcy, along with the growth of industry, as we have in other countries.

(2) Revolution and restoration (ch. 2-4, 1917-1929). Drastic inflation, caused by World War I and wars against the White Army along with foreign intervention, disordered accounting for several years after the Revolution in 1917. Accounting was further aggravated by some prejudice, despite Lenin's instruction. Decreased production was recovered in 1926 and the First Five-Year Plan for industrialization needed a diffusion of cost accounting. Accountants attended the world congress in 1929 and observed foreign practice and calculators.

(3) Construction of socialist institutions (ch. 5-6, 1930-1940). Socialism became firmly established and socialistic ownership (state enterprises and cooperatives) formed the foundations of industry. Theoretical classification of accounts was publicized after a comment made by Strumilin, the noted economist, and "norm costing", Soviet-typed standard cost accounting, was popularized. The foundation of Soviet accounting was fixed then.

(4) World War II and reconstruction (ch. 7-8, 1941-1950). The War (1941-1945) destroyed enormous assets and innumerable lives.

Rough estimations of inventories, fixed assets, debts and credits were necessitated by demands of defense and dispersion of facilities, the need for simpler calculation, the death of experienced accountants, etc. The authorization for the chiefs of accounting departments to check on their leaders in order to remove unfavorable habits remained even to some extent after the War.

(5) Advancement of socialism (ch. 9-12, 1951-1972). Accounting systems were made more precise but simpler to the extent possible, and accounting standards of materials, wages, fixed assets, forms, etc. were regulated successfully. "The New Economic System", initiated by Liberman,¹ changed the indicator of business activities from the total output into the amount sold and the rate of profit. Profit became a principal factor of bonuses in 1965. 777,000 specialists in such computation were trained at 106 schools from 1966 to 1970 and computers contributed to the modernization of accounting and saved much accounting labor. Accounting came to play a much more significant part in socialist society, as Marx and Lenin predicted.

In short, we know that Soviet accounting is a process of unprecedented structures, created by repeated trial and error and that the mechanism of both bookkeeping and costing does not differ fundamentally in the USSR. However, characteristics of Soviet accounting based on socialist ownership must be understood, before one reads Mazdorov's volume, the only one in this field at present. To our regret, Soviet books often go out of print and do not identify the author's location, making it difficult to find them and thereby hindering us from cooperation in the academic world.

EDITOR'S NOTE

The Book Review editor has been fortunate to receive the following illuminating commentary on historical research in Japanese accounting from Professor Kojiro Nishikawa of Nihon University:

Accounting historians in Japan have been, heretofore, active mostly in the history of Western accounting, only a few have had

¹Professor Liberman wrote to Kimizuka in 1966, saying that profit was only a means for the first end of socialist production: (to satisfy all needs and requirements of our population", namely, "(1) to supply necessary funds for social service free from any charge from the people, (2) to get money for economic expansion, (3) to serve as an indicator of the efficiency of enterprises and (4) respectively — to shape a source for an incentive payment system" (With Professor Liberman's consent, we refer to this letter).

an interest in Japanese accounting history. There are two areas of study in Japanese accounting history: indigenous methods of bookkeeping and Western bookkeeping introduced to Japan. The study of the former is especially rare because the traditional usage of accounting evolved in the larger business houses in the Tokugawa era (1600-1867) as a secret of each family to be handed down from fathers to sons. No outside writers of treatises on bookkeeping appeared and nobody attempted to formulate the reasoning or theory of it.

The first instance brought to the knowledge of academic circles before the World War II was "Izumo Bookkeeping," found in 1936 by Y. Hirai and K. Yamashita of Kobe National University. After World War II, however, an interest in the historical development of old business firms increased and the research on the basis of actual data in account-books and business records has become active. In 1962, Eiichiro Ogura of Shiga National University published "Goshu Nakaike Choai-hoho" (Bookkeeping Methods of the Nakai Family), based on the actual books and records of business in drugs, dry goods, grain and so forth, for the one hundred and fifty years from 1734. This is the first outstanding book written on the indigenous method of bookkeeping in Japan. Kawahara's work on the "Edo" period is the second book in the same area of study.

Kazuo Kawahara, *The Bookkeeping Methods of the Edo Era in Japan*, Tokyo: Gyosei, Inc., 1977, pp. xxi, 437, y2800 (published in Japanese)

**Reviewed by Ryoji Inouye, Chuo University and
Kousaku Hamada, Chiba University of Commerce**

The objective of this book is to indicate how bookkeeping was done in the Edo Era (1603-1867), which was a feudal age, before the European style of bookkeeping was imported into Japan in the 1860's. The author states that calculations which determine net worth and which serve to check each other were adopted in those days, though the bookkeeping peculiar to Japan did not use the ledger account form.

This book is divided into three parts. The first part (Chapters 1 through 7) deals with the Tomiyama accounting books. The second part (Chapters 8 and 9) concerns the accounting books of the Tanabes, the Kondohs, the Ishimotos, the Honmas, the Hasegawas,

the Onos, the Kohnnoikes, the Mitsuis, and the Nakais, and the third part forms an appendix.

The contribution of this author is in the area of the investigation of the bookkeeping methods of the Tomiyama family, which are presented in part one since the bookkeeping methods of the families which are included in part two have already been researched by other scholars, namely, Professors Hirai, Ogura, Yamashita, and Yasuoka. (Japanese bookkeeping methods in the Edo Era are being investigated by a special committee on the existing state and the future responsibility of accounting history research of the Japan Accounting Association.)

According to the author, though there are many differences between the Tomiyama accounting procedures of the main office and those of the branch offices and between the first stage of the Edo Era and the middle stage of the Edo Era, the development of the Tomiyama accounting procedures were always that of an attempt at completion of the dual calculations.

Here are the dual calculations: one is the calculation by formula (1); the other is that by formula (2):

$$P_o + R = E + P_1 \dots\dots\dots(1)$$

$$A_1 - L_1 = P_1 \dots\dots\dots(2)$$

Below is the key to the symbols in the above formulas:

P_o = Proprietors' equities at the beginning of the period.

R = Revenues for the period.

E = Expenses for the period.

P_1 = Proprietors' equities at the end of the period.

A_1 = Assets at the end of the period.

L_1 = Liabilities at the end of the period.

The details of the items such as P_o , R , E , P_1 , A_1 , and L_1 seem to be recorded in subsidiary accounting books. The figures and the titles on a calculation statement (the Sanyo Cho are transferred from the subsidiary books directly, or to the Sanyo Cho from summary statements which sum up each subsidiary book. Thus, the author points out that there was definitely a developed bookkeeping method in the Tomiyama accounting books though it did not use ledger account form.

We have to notice that not only did the Tomiyama bookkeeping system have the dual calculations, but also that bookkeeping methods of other big merchants in the Edo Era used the same calculations. Therefore, the great contribution of this author is to point

out that the Tomiyama accounting books which are the oldest in existence used the dual calculations. We must value the author's contribution highly when we consider the age of the author's research material and the difficulty in deciphering it.

It is regrettable however, that in his investigation of the origin and development of bookkeeping methods peculiar to Japan in the Edo Era, the author did not sufficiently trace the dimensions of economic and social history and clarify the degree to which the bookkeeping method satisfied social needs.

Furthermore, we hope that the difference between the meaning of "double entry" and "dual calculation" as in this book will be clarified.

Shigeo Aoki, editor, *History of Development of Accounting in Japan; Development and Perspective of Accounting in Our Country*, Tokyo: Doyukan, 1976, xii, 331 pp., y2,300, (published in Japanese)

**Reviewed by Torao Moteki
Rikkyo University**

About one hundred years has passed since the Japanese economic system changed from feudalism to capitalism. In the Edo Era (the feudal period), there were native (non-Western) Japanese bookkeeping systems. When the Meiji Era (modern capitalism) came, the form and principle of double-entry bookkeeping was introduced and generalized. The essence of the latter is much the same as that of West-European bookkeeping. Native Japanese bookkeeping is not necessarily double-entry bookkeeping while modern Japanese methods are based on double-entry bookkeeping history.

Twenty-one leading members of the Japan Accounting Association contributed special articles to make up this volume, the first publication of a complete history of modern accounting in Japan. The research includes the entire modern accounting era from the early Meiji period up to the present time and (begins with the introduction of West-European bookkeeping in the early Meiji era.)

The first historical article is "The Birth of Modern Bookkeeping and Accounting" by Kiyoshi Kurosawa. Prof. Kurosawa wrote from the reviews of "Choainoho" and "Ginkobokiseiho", both published in the sixth year of Meiji (1873). These old Japanese bookkeeping books are based on the theory of the West-European bookkeeping system. With the assumption that accounting history is a study based on the system of double-entry bookkeeping, can we sys-

tematize the role of feudal accounting history as a part of Japanese accounting history?

The volume is made up of three main parts. The first is "The Development of Bookkeeping and Accounting from the Meiji Era to World War II". This part contains six articles, including "Birth of Modern Bookkeeping and Accounting" by K. Kurosawa; "Significance of Enactment of The Commercial Code" by I. Katano; "Accounting Standards Prescribed by Commerce and Industrial Development", by K. Kurosawa.

The second part is "The Development of Modern Accounting after World War II". This part has nine articles. Our accounting theories and practices since 1945, were largely influenced by American accounting theories and practices. This part deals mainly with the advancement of "Business Accounting Principles". Starting points of modern accounting are identifiable and studies of managerial accounting are popular.

The third part is entitled "Problems and Perspective of Future Accounting" and consists of eight parts. The writers analyze new accounting problems; for example, international accounting standards, consolidations, accounting for inflation, and other topics of a current nature. This book was published as an historical perspective of current accounting problems and includes not only the history of financial accounting but also managerial accounting.

The research covers many fields of accounting theory, analyzed by specialized scholars.

Recently, the study of West-European accounting history has developed very rapidly, but there has not yet been a development of an all-inclusive historical methodology. Of course, a single person's research cannot cover all the fields of accounting history. Jointwork is becoming more of a necessity. This book has great significance as the fruit of study of Japanese accounting history by cooperative effort. The task of Japanese accounting historians is to analyze the source of characters of accounting (instruments), accounting theories, and accounting thoughts. The standard of Japanese accounting history evolved up to a level comparative to that of West Europe. This cooperative venture by 21 persons is highly recommended.

Written Contributions of Selected Accounting Practitioners, Vol. 1:
Ralph S. Johns (Urbana-Champaign: Center for International Edu-

cation and Research in Accounting, University of Illinois, 1976, pp. 383, paper, \$5.00)

Reviewed by Dale L. Flesher
University of Mississippi

This publication is a readings book consisting of articles authored by Ralph S. Johns. Ralph Johns began his accounting career with Haskins & Sells in 1926. He became a partner in 1943, managing partner of the Chicago office in 1951, and retired from the firm in 1969. Mr. Johns cooperated in the publication of this book and included his current comments relative to the background behind each article and the subsequent effects.

Several of the articles (and comments) would be quite interesting to those historians interested in early 20th century accounting. For example, one article on accountants' ethics discusses the evolutionary development of various parts of the Code of Professional Ethics. It should be a required source for anyone doing work in the area of ethics history.

Johns commented that he had intended to write a book on the history of the auditor's certificate (report) when he retired. In fact, he accumulated material for 20 years. However, when retirement came, he decided instead to devote his time to foreign travel. The subject is still a good topic for a dissertation. Unfortunately, Johns disposed of his 20 years accumulation of materials on the subject when he decided not to do the book. An article on the topic provides considerable insight into the subject. Most interesting are examples of early certificates where the words "true" and "correct" were used.

The articles on income tax allocation are interesting not only because of the subject matter, but also because of Johns' view on the topic since he was against allocation. One 1945 article on taxes is interesting in retrospect since it questioned whether Accounting Research Bulletins were mandatory and, if so, what the effective date would be. He particularly deplored the fact that ARBs were dumped upon the profession without any forewarning in the form of an exposure draft.

Other areas that receive lengthy treatment include college accounting and legal liability. The legal liability article is especially enlightening in that it discussed several little known cases.

Many of the articles are of much relevance today. For instance, the first fifty pages of the book are devoted to the advantages of the natural business year. Prior to Johns' first publication on the sub-

ject in 1926, about 72% of the firms in this country ended their year on December 31. The latest *Accounting Trends and Techniques* indicates that December 31 still accounts for nearly 2/3 of all closings. Institute legislative policy is discussed in a 1957 article. The article is very timely in this reviewer's home state as the question of regulatory versus permissive legislation is still a hotly debated topic. Perhaps Johns should be applauded for writing articles of such enduring value.

Most accountants would enjoy reading this book. The University of Illinois is making a contribution to the historical literature by publishing the works of such important early accounting practitioners.

DR Scott, *Theory of Accounts*, (New York: Arno Press, Reprint Edition, 1976, pp. 284, \$18.00)

**Reviewed by Joseph R. Oliver
The University of Texas at San Antonio**

Theory of Accounts is a reprint of DR Scott's introductory accounting text copyrighted in 1925 by Henry Holt and Company. Despite the fact that the book was initially intended for use in university accounting courses, it provides an interesting view into past interrelationships of accounting and business. While more than forty years have passed since its first publication, the work continues to instill in the reader an appreciation for Scott's foresight and his grasp of the role of accounting in its environment.

Scott emphasizes in his preface the importance of a broad education in giving an accounting student an appreciation for the "part played by accountants in the economic organization of society." The book was written in that vein, and the option of supplementing it with selected problems (but not mere bookkeeping practice) was suggested. The author's purpose for the book, then, was "to give students an oriented knowledge of accounts." Since the book is divided into four parts, each part will be discussed separately.

References to the historical evolution of accounting and its interrelationships with business and political development occur with surprising frequency throughout the text. Nowhere is this more evident than in Part I which begins with a chapter entitled "Development and Functions of Modern Accounting." Part I subsequently affords the reader an overview of the accounting function, devoting five more chapters to examinations of the balance sheet, income statement, ledger and trial balance. Scott pointedly conveys his

opinion that accounting is "best studied from a functional rather than a static viewpoint" since he believes it to be "a vital part of an ever changing system of economic machinery."

Part II is more mechanically oriented than Part I, exploring the processes through which accounting gathers and processes information. The author presents the elements of bookkeeping, making particular reference to their interrelationships with contemporary and prior business enterprises. He expects the instructor to supplement what he terms a "highly condensed" explanation of bookkeeping with further discussions and considers such additional comments to be most appropriate in a university course.

An examination of capital accounts of partnerships and corporations is the thrust of Part III. One chapter is devoted to partnerships with an overview of business form and specific discussion of transactions affecting capital accounts. Three chapters survey the corporate organization and its capital accounts. Considerable space is given to transactions affecting "reverses".

Scott sees the open market as adjusting most conflicting economic interests, the process of adjustment being that of "valuation" in which accounting plays an integral part. Part IV, about one-third of the text, is concerned with valuation. Within this section are three chapters on depreciation, but more than half of Part IV discusses means with which values could be placed on assets. In one particularly forward-looking section, cost and current market value are contrasted as bases for valuing assets. Scott is cognizant of the fact that some government regulation of business is necessary to resolve conflicting interests. He sees government as being an occasional substitute for the open market in setting values, but in no way a replacement for management of enterprises under regulatory authority.

In addition to stressing the increasing importance of accounting in developing economic institutions, Scott's summary notes that one who has studied the text should have more of an understanding of the "larger aspects" of accounting than the mechanics of bookkeeping. He wants the student to appreciate the historical development of accounting, the likely influences upon its future evolution and its increasing role in the world around it.

Theory of Accounts is certainly a productive addition to any library. Used initially in mimeograph form at the University of Missouri where Scott spent all of his working years, the text was polished in the classroom and embellished with the thoughts of a man who could be regarded as an early visionary in the discipline of accounting.

James C. Stewart, *Pioneers of a Profession* (Edinburgh, Scotland: Scottish Committee on Accounting History, The Institute of Chartered Accountants in Scotland, 1977, pp. xii, 181, t 6.50)

**Reviewed by M. J. R. Gaffikin
Massey University, Palmerston North, New Zealand**

The primary purpose of this book, according to the Author's Preface, was to provide a list of persons concerned with the early history of the Chartered Accountants in Scotland as a necessary first step in an inquiry into its social background. If it were simply a list of names with brief biographical details then it would be a book of very limited appeal; fortunately it is not. Although the major part of the book is devoted to the purpose mentioned above there is a thirty page prefatory essay, several photographs of people and places associated with the early history of professional Scottish accountancy, and a substantial appendix describing the links of some of the pioneers with early and contemporary accounting firms.

Until recently there have been few who could be referred to as accounting *historians*—a notable exception being the late A. C. Littleton. Even some of the more recent standard texts on the subject have tended to be little more than mere chronological descriptions. In this prefatory essay Stewart has approached his subject in a manner more fitting a true historian. He acknowledges that Scotland was not the home of the first associations of accountants. But he also notes that by 1850 all those associations that had been formed had, disappeared almost without a trace. In the period since 1850 (the "modern" period?) the Scottish associations were the first formed and he asks "Why?". The remainder of the essay attempts to provide an answer and in doing so discusses some of the background circumstances:

1. The social and political change subsequent to the middle of the 18th century.
2. The evolutionary nature of industrial development in the same period—especially the developments in transport and communications.
3. The growth in international trade and the consequent demands for insurances.
4. The impact of the joint stock company.

Realizing that an essay of such length cannot adequately deal with such a wide sphere of interest, Mr. Stewart has not attempted to delve too deeply into each area but picked out the main arguments

supporting his discussion. This has necessarily involved generalizations—some a lot worse than others; for example his distinguishing attributes of a profession:

“The attributes which distinguish a profession are more readily recognized than defined and listed”,

as opposed to,

“The Scots predilection for litigation may well also have contributed to the demand for persons of skill to elucidate accounts and assist in establishing claims.”

The essay is well written and because of the author's continual search for justification in statements on the early development of the Institute of Chartered Accountants in Scotland it is of immediate interest to all interested in the development of professional associations of accountants.

The major sections and purpose of the book, however, is the listing, with brief biographical details, of 346 men who were entitled to describe themselves as accountants between 1854 and 1879. With such a large number it follows that biographical data is necessarily brief. Nevertheless some detail is devoted to a few. One such name, likely to be familiar to many people interested in accounting history, is, Richard Brown, editor and part author of *A History of Accounting and Accountants* (Edinburgh, 1905). A straightforward descriptive account is given of his life, his association with the profession, his other contribution to the discipline followed by an indication of his “extra curricula” interests (“A man of musical and literary taste . . .”). For many only their birth and death dates, the date of their joining the profession and the firm with which they were associated are given. As already indicated, an appendix follows the biographical notes section and it is interesting to observe that some firms are still in existence with the same names today as well as the associations with some contemporary substantial firms (four of the “Big Eight”). Whereas illustrations are often merely interesting those in this book are a little more informative. They include maps of early Glasgow and Edinburgh, the first page of the Royal Warrant (Edinburgh Society) of 4 November 1854, bank notes, institution buildings and many portraits.

There is little doubt that this book is a notable addition to the accounting history literature. While its primary purpose of providing biographical notes of Scottish Accountants in the first 25 years of their association may seem unduly narrow it does contain

significant resource material. In addition, there is the prefatory essay which, although limited by size, suggests new insights into the reason for the development of the first professional accountancy associations in the modern era. A book well worth recommending to all those who profess an interest in accounting history.

Thomas J. Burns & Edward N. Coffman, *The Accounting Hall of Fame: Profiles of Thirty-Six Members* (Columbus, Ohio: College of Administrative Science, The Ohio State University, 1976, pp. vi, 88, single copies available upon request)

**Reviewed by Chris Luneski
University of Oregon**

This volume presents a profile of each of the thirty-six men who had been inducted into the Accounting Hall of Fame (located at The Ohio State University) through 1976. The nomination and induction process is described and it somewhat resembles the Nobel selection process. The list of inductees also shares some of the characteristics of the list of Nobel Laureates in Literature.

The profiles are short and are restricted to factual biographical information. Within the space limitations, the authors have managed to provide an interesting and useful set of sketches. For the person seeking information about the lives and activities of some of the people who have influenced accounting, this collection serves as a worthwhile reference. The entries are carefully researched and documented. The accuracy of the entries is further aided by the fact that the senior author, in his youth, was acquainted with all the inductees.

Though not its purpose, the collection is perhaps even more interesting for the reader with a speculative bent. Much of historical research involves drawing inferences by reading between the lines of factual information. With a liberal application of imagination, the profiles can provide the basis for all sorts of inferences about the nature of accounting and its development. For instance, there is material that might lead one to speculate about the impact of railroads on accounting or on the relationship between accounting and music. The collection could be used in this regard as a fun exercise in a history seminar.

The authors have accomplished a valuable serious purpose and have incidentally provided a stimulus for speculation. This reviewer found the collection to be enjoyable reading for both these reasons.

Joyce Bankes and Eric Kerridge, editors, *The Early Records of the Bankes Family at Winstanley*, (Manchester, England: printed for the Chetham Society by Manchester University Press, 1973, pp. viii, 113, £6.00)

**Reviewed by John Freear
University of Kent at Canterbury**

Bankes and Kerridge have performed a useful service in making available to a wider readership the early records of the Bankes family. The volume comprises transcriptions of the memoranda book (1586-1610) of James Bankes, his probate inventory (1617), and finally, accounts (1667-1678) and rentals (1668-1677) relating to the Winstanley estate. The editors have also provided indexes of persons, places and topics, together with four photographs, a map of the estate, a short preface (by Bankes) and a longer introduction. The introduction, by Kerridge, is an interesting commentary on the late sixteenth and seventeenth century Lancastrian agrarian economy, with reference to the Winstanley estate. He also draws parallels with James Bankes' contemporary, Robert Loder of Harwell, emphasizing their piety and their concern over wage costs. But, compared with Loder, Bankes displayed little understanding or use of economic ideas in his management of the estate.

We are denied a clearer picture of Bankes' estate and his management of it, because the account book, to which he refers in his memoranda book, has not survived. A later account ledger (1667-1678), kept by a steward, has, however, survived and is transcribed in full. The rental, which is also transcribed, was written "in the same ledger turned upside-down and used in reverse" (page 10) and is interesting mainly for the details of the ways in which tenants discharged their dues and for the occasional remittance of rents, the tenant "being poor". The main purpose of the steward's accounts, as might be expected, was "to quit himself of what was charged to him in the course of his managerial duties" (page 10), by recording the yields and the disposal of the grain crops; thus the figures are mainly quantities, although where grain was bought or sold the price was given, as were the outlays on such tasks as harvesting.

From the accounting historian's point of view, it is a pity that Dr. Kerridge dealt so briefly with these accounts in his introduction. He draws the reader's attention to the more detailed daily records of the later years compared to the summary accounts of the earlier years, and comments that the accounts "are made up in an orderly fashion . . . and they maintain the same high standard almost to the

end" (page 10). He reminds us that the steward was not concerned with profit or loss, and concludes that "otherwise these documents call for little remark. They are wholly conventional and valuable to us mainly for the light they shed on estate management after James' death" (page 10). While this may be true, it is a pity that he does not explain or conjecture, for example, as to how grain "brought home" was valued, as there seems to be no consistent valuation basis in the accounts. It may be that when such accounts as these are published—and publication is to be encouraged—it would be a considerable service to many readers if a marginal commentary could be provided alongside with the transcription, in addition to a general description and introduction to the records. Otherwise, as is the case here, the reader must rely substantially on his own knowledge and resources, being at least partially deprived of the wisdom of the editor.

Patricia Hudson, *The West Riding Textile Industry, A Catalogue of Business Records from the Sixteenth to the Twentieth Century* (Edington, Wiltshire: Pasold Research Fund Ltd., 1975, pp. xvi, 560, £10.50)

Reviewed by J. R. Edwards
University College of North Wales

The purpose of Hudson's book is to provide the historical researcher with a comprehensive guide to surviving wool textile industry records deposited at various repositories in the West Riding area. The catalogue is of direct interest to social, economic, business, accounting, and even political historians. Indeed the wealth of data covered will, no doubt, attract the attention of those working in many other fields. However, it is the particular significance of the book for accounting historians which will be considered here.

Many accountants believe that much of the research designed to achieve a more complete understanding of business development pays insufficient attention of financial developments at the company level. Accountants must accept much of the blame for this imbalance which is due to their failure to become immersed, in sufficient numbers, in the historical aspect of their discipline. A partial explanation for this is the absence of catalogues and registers which reveal the location of material on which to base research. For this reason alone Hudson's guide to primary sources must be welcomed.

It is important to examine carefully the methodology adopted for the purpose of presenting the material which has been discovered. Here the author achieves a high degree of success. The bulk of the book (473 pages) is devoted to publicizing the surviving information relating to 122 textile companies. Miss Hudson has wisely adopted a flexible approach for presentation purposes; the length of the alphabetically arranged entries reflect the quantity of available material (the records of T&M Bairstow Ltd. require 40 pages) and the contents summary, for entries which justify this refinement, varies depending upon the particular range of information which has been preserved. The detailed summaries of surviving records, which in some cases amount almost to a financial history, should reduce the possibility of misconceptions to a minimum. Where a company has already been the subject of published research, references to work done are given.

Both the book and the records it covers possess considerable potential for research in areas which include:

1. methods of asset valuation;
2. the development of profit measurement procedures—capital changes versus the matching process;
3. methods of financing business development and capital formation;
4. developments in the accounting vernacular encompassing not only revised descriptions of particular accounting matters but also changed meanings attached to well established business terminology.

There is some evidence that the author did not fully appreciate the nature and significance of certain items which she encountered and recorded during the course of compiling this volume. The result is that in some cases obsolete descriptions are used without warning the reader that the document contains data quite different from what might be expected. Elsewhere information is repeated which although, no doubt, a fair summary of the original, is not entirely explicable without further amplification. These observations in no way detract from the value of the book as a guide to primary sources; they merely emphasize the need for accountants to make a weightier contribution to business history research.